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## ASX Announcement

# Divestment of Multix

**28 June 2024**

McPherson's Limited (**ASX:MCP**) today announces that it has completed the sale of its 'Multix' brand and inventory to International Consolidated Business Group Pty Ltd (ABN 73 804 885 700), as trustee for the ICBG Unit Trust (**ICBG**) for \$19 million (subject to agreed post-completion contractual adjustments). McPherson's and ICBG have also entered into a transitional services agreement, estimated for three months, under which McPherson's will assist ICBG with the transition of 'Multix' to ICBG.

The sale follows the completion of a strategic review of the 'Multix' brand announced in November 2023 as part of McPherson's strategic reset. The November 2023 announcement set out that McPherson's would focus on a core portfolio of its leading consumer brands, specifically in health, wellness and beauty as a higher growth and higher margin category.

The strategic review concluded that 'Multix' is a leading brand with an attractive range of products. However, the revenue drivers, opportunities and challenges for the brand are different to those for McPherson's core brands. To that end, the Board determined that the divestment of 'Multix' and the creation of a more focused, streamlined portfolio would maximise value for shareholders and ensure McPherson's was best positioned to execute on its strategy.

McPherson's will continue to implement its transformation plan as a pure-play health, wellness and beauty company. The sale releases capital to continue investing in this transformation, driving productivity and growth, while also strengthening the balance sheet.

The removal of the 'Multix' brand from the McPherson's portfolio will impact existing supply chain arrangements. As a result, the business will move to the next phase of its transformation, which includes reviewing the most appropriate route to market for its portfolio of brands.

McPherson's is currently assessing the impact of material items for FY24, resulting from its transformation. As a result of the divestment specifically, and pending finalisation of the Company's FY24 audited results, McPherson's expects to incur a one-off, non-cash asset write-down in the order of \$10 to \$11 million<sup>1</sup> in FY24 relating to the 'Multix' brand and allocated goodwill. The pre-tax costs of the 'Multix' divestment are expected to be approximately \$1.5 million<sup>1</sup>.

McPherson's expects to announce its full year results on 23 August 2024.

McPherson's CEO Brett Charlton said:

*"The strategic reset we announced in November last year is designed to make sure we focus on our strongest brands in the attractive health, wellness and beauty category. By divesting 'Multix', we are becoming a more focused organisation, better able to capitalise on our core brands and drive productivity and growth. We can now*

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<sup>1</sup> Unaudited management estimate before tax.

*continue with our transformation with a strengthened balance sheet, reshaping the business for our future as a pure-play health, wellness and beauty company.”*

### **Authorisation**

This ASX announcement has been authorised by the McPherson's Limited Board of Directors.

### **For further information please contact**

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### **About McPherson's Limited**

McPherson's Limited is an ASX listed supplier of essential health, wellness and beauty products. McPherson's products touch 3 out of 4 Australian households according to independent research and include some of Australia's best loved brands: 'Manicare', 'Lady Jayne', 'Dr LeWinns', 'Swisspers' and 'Fusion'. In addition, McPherson's has a supporting portfolio of popular brands in attractive segments of the market including haircare, vitamins and supplements, fragrance, and nutrition. McPherson's strategy is to capitalise on its strongest brands through expansion and innovation, driving sustainable growth and higher margins from increasing efficiencies.

For further information, please visit [www.mcphersons.com.au](http://www.mcphersons.com.au)